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ABSTRACT

The policies and procedures outlined in this report have been adopted at Harford Community College (HCC) to: (1) monitor current and projected expenditures relative to accrued benefits, and (2) reduce or redirect expenditures and personnel in the event of declines in enrollment or revenues or a change in mission or program. After stating HCC's objectives in terms of expenditures and programs, the report reviews the monitoring procedures called for in HCC's Program Redirection and Financial Exigency Plan as part of the college's annual planning process and operations. Among these procedures are written annual reports by associate deans or unit heads, which provide quantitative and qualitative assessments of credit and non-credit programs and service areas that have been identified as cost centers and those not so identified. Next, three levels of adjustment are identified which may be implemented by the president to ensure the judicious use of resources: Level 1--adjustments to ongoing operations, for example, through the elimination or reduction of programs or through efforts to increase enrollments; Level 2--program change or redirection, which may involve hiring freezes, modifications of workload, or increases in student/faculty ratios; and Level 3--a declaration of financial exigency, which may require severance of regular employees. Finally, the report presents the procedures applicable when termination of faculty or administrators results from program change or financial constraints. (HB)

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HARFORD COMMUNITY COLLEGE

POLICIES AND PROCEDURES RELATING TO PROGRAM REDIRECTION AND FINANCIAL EXIGENCY

Michael T. Murphy

Approved by Board of Trustees
January 27, 1983

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HARFORD COMMUNITY COLLEGE

POLICIES AND PROCEDURES RELATING TO
PROGRAM REDIRECTION AND FINANCIAL EXIGENCY

General Statement

The single most important commitment of Harford Community College to the citizens of Harford County from whom it gets its support is to provide the highest quality education possible with the resources available. It follows that if resources are restricted, action is required to maintain quality programs and services at the highest possible level.

High quality programming requires the expenditure of public funds in primarily two ways. The largest expenditure is for services rendered by personnel: faculty, administrators, and classified staff. For the purpose of this document, all other nonpersonnel costs will be referred to as operating expenditures. These include supplies, materials, equipment, contractual services, travel, and the like. While it is clearly understood that the human resources are the most essential element of the College's service delivery system, high quality programming also requires that adequate operational support be provided.

Maintaining educationally sound programs of the highest possible quality is the responsibility of every employee of the College. The major criterion in considering program reduction must be the extent to which quality will suffer as a result of the reduction. Unfortunately, there is no magic number or objective formula for determining the expenditure level below which quality will suffer. Thus, we must rely on our collective good faith and judgment to make decisions that are consistent with our commitment to the citizens of the County and to the highest possible professional standards of program integrity.

This policy establishes procedures for:

1. Monitoring current and projected expenditures relative to benefits

2. Reducing and/or redirecting operating expenditures and personnel in the event of enrollment decline, College and/or mission changes, program change or redirection, and/or a decline in revenue to support College operations

Monitoring Operations

An effective Program Redirection and Financial Exigency Plan should be fully integrated into ongoing evaluation and planning operations of the College. The timetable below, therefore, includes the monitoring operations called for in this Plan as part of the full range of annual evaluation and planning operations of the College.

JUNE — Annual reports which include the qualitative and quantitative assessments described in this document shall be submitted through appropriate administrative channels

JULY — The President of the College reviews the annual reports, gathers additional information as necessary, and shares his findings with the Chairpersons of the three College Councils plus the Academic and Administrative Deans

After conferring with the Chairpersons and the Deans, the President meets with the Board of Trustees and recommends actions needed to maintain financial and academic viability

AUGUST — The annual update of the Long Range Plan is prepared to reflect the findings of the annual reports and assessments made by the President, Council Chairpersons, and the Board of Trustees

SEPTEMBER — Budget information released through established procedures, includes short and long range goals as they are reflected in the Long Range Plan

The President addresses the College community and shares his findings

NOVEMBER — Budget requests for the subsequent fiscal years are reviewed and evaluated. Priorities are established by the Budget Priorities Committee

Note: The Budget Priorities Committee representatives include Council Chairpersons and the Administrative and Academic Deans

JANUARY — The President again evaluates the financial condition of the College and determines if additional action is needed. If necessary, letters of nonrenewal are released consistent with established College policy and timetables

APRIL — Credit and noncredit academic programs are evaluated using the format developed for the Middle States Self-Study of 1982, as modified

MAY — College receives notification from Harford County Government of funding level for subsequent fiscal year

Included in the written annual reports submitted by each Associate Dean or unit head through his Dean (or President in the case of those units reporting directly to him), shall be the following information:

Credit Programs

1. Quantitative Assessment

   a) Levels of expenditures by cost center and subaccount for the three previous fiscal years

      Source: Final budget printout for each year

   b) Changes in FTE production by discipline and session for the three previous fiscal years

      Source: SCL030C used to report FTEs to SBCC

   c) Changes in average class size by discipline and session for the three previous fiscal years for those classes taught in a traditional format, e.g. lecture, laboratory

      Formula: Total number of students + total number of courses offered (excluding independent study, cooperative education, etc.

   d) Changes in the Harford Community College discipline cost analysis as prepared for SBCC for the three previous fiscal years

      Source: HCC Cost Analysis Report

   e) Degrees/Certificates conferred by program for the three previous fiscal years

      Source: HCC Institutional Research Reports

   f) A summary statement interpreting the quantitative trends identified above and other pertinent quantitative information

2. Qualitative Assessment

   a) A review of the objectives of each program/discipline, including the skills or competencies that graduates or participants are expected to attain

   b) Evidence of program modifications designed to improve the quality of service delivered

   c) Evidence of individual faculty efforts to improve themselves professionally and in a manner consistent with identified and projected student needs

d) Evidence of the use of operating expenditures to improve the quality of instruction

e) An assessment of the facilities available to the program in light of the objectives of the program

f) An assessment of the equipment available in light of the objectives of the program and the extent to which equipment is adequate to meet these objectives

g) Evidence of student follow-up studies by program to determine strengths and weaknesses of the program along with appropriate adjustments in goals and objectives as a result of the studies. Such evidence shall include indications of student performance as transfers to senior institutions as well as performance upon employment after completion of HCC experience

h) An assessment of opportunities for improving the unit's ability to improve services to the students of the College and the financial impact of implementing plans to take advantage of this opportunity

Noncredit Programs

1. Quantitative Assessment

Quantitative assessment shall be comparable to that which is provided for credit programs

a) Revenue by source: Grants
Tuition-Fundable Courses
FTE Allocation
Tuition-Nonfundable Courses
Cultural Events

b) Expenditures: By Program/Activity
Cost per Student Participant:

Fundable Courses
Nonfundable Courses
Cultural Events

These data shall be reported for the three previous fiscal years wherever possible

c) Enrollment trends shall be identified and commented upon by

Fundable Courses
Nonfundable Courses
Grant-Supported Courses

2. Qualitative Assessment

a) Efforts to maintain/improve the quality of service, given available resources, shall be summarized

b) Limitations, including facilities and equipment, shall be identified and recommendations provided

c) Opportunities for developing new programs shall be examined

Service Areas Identified as Cost Centers

1. Quantitative Assessment

a) Each service area shall develop units of measure which will be used to determine measures of productivity for the area

Examples include number of transactions such as fee receipts or transcripts processed; admission applications distributed; book and AV equipment checked out; grant applications processed and received; etc.

The President and the Deans shall review the recommended units of measure to determine if they adequately reflect the productivity (in quantitative terms) of the cost center for which they were developed

2. Qualitative Assessment

a) Each service area shall present through its respective unit heads, a statement indicating the objectives of the unit in light of the Mission of the College along with a statement of procedures designed to meet these objectives

b) Each cost center in the service area shall report annual levels of expenditures by subaccount for the three previous fiscal years

Source: End-of-the-Year Cost Center Reports

c) Each service area shall identify opportunities for improving the quality of services rendered and the financial impact of implementing plans designed to take advantage of these opportunities

d) Each service area spokesperson shall summarize the qualitative changes that have occurred in the delivery of services for which he/she is responsible

Service Areas Not Identified by Cost Center

Various activities of the College cannot be readily identified by cost center. Examples include clerical services, telephone communications, energy consumption, faculty development activities, etc. Each of these activities consumes considerable revenue, yet cannot be analyzed by the monitoring system established herein. Therefore, the President shall, as appropriate, assign individuals the responsibility of evaluating the cost effectiveness of these services. The evaluation shall include the following:

1. Quantitative Assessment

   a) Units of measure shall be developed for the services and, wherever possible, historical trends identified

   b) Projections of future demands shall be estimated

2. Qualitative Assessment

   a) The contributions that these services make to the College's pursuit of its Mission shall be established

   b) The impact of increases or decreases in these service areas shall be evaluated

Determining and Reporting on Financial Conditions at HCC

After evaluating the information provided by the various segments of the College community, the President shall determine the financial condition of the College and report the findings to the Faculty and the rest of the College community.

The President's message shall contain an indication of the nature and extent of adjustments that are necessary to assure that available resources are used judiciously. Essentially, three levels of adjustment are possible.

Level I Adjustments to Ongoing Operations

The President may determine that conditions are such that adjustments which do not require involuntary severance of regular employees are sufficient to maintain institutional financial and academic viability. Adjustments could include but not be limited to:

.Programs to improve efficiency and/or minimize future losses

.Efforts to increase enrollments

.Reordering priorities to minimize the impact of the anticipated financial shortfall

.Efforts to gain additional revenue from external sources

.Sabbatical leaves and other leaves of absence to retrain General Faculty

.Recommendations relative to increases in tuition and fees

.Decisions to reduce or eliminate programs or services

Level II Program Change or Redirection

The President may determine that program change or redirection is necessary. Program redirection involves the curtailment or elimination of one or more programs or services and may include involuntary severance of personnel in these areas. In describing why such action is needed, the President shall indicate the extent to which remedial efforts were considered and, where appropriate, implemented. This would include remedial efforts appearing at Level I as well as those appearing below.

.The utilization of existing College contingency funds

.Deferral of equipment purchases and leases of lower priority

.Freezes on all new hiring and filling of vacancies

.Reduction of part-time employees

.Elimination of part-time faculty whose work can be done by full-time faculty

.Increases in the student/faculty ratio

.Modification of faculty and administrator workloads

Any assessment of the extent to which remedial methods could be implemented to avoid involuntary severance shall involve the participation of the Faculty and other affected groups of the College community.

Level III A Condition of Financial Exigency

The President may indicate an intention to recommend to the Board of Trustees that it declare a condition of financial exigency. In doing so, the President shall indicate that all remedial efforts have been considered and to the extent possible implemented--but that conditions are such that further institution-wide action, including severance of regular employees, is necessary.

PROCEDURES GOVERNING REDUCTIONS

IN PROFESSIONAL PERSONNEL

The following procedures will apply when termination resulting from program redirection, change, or financial exigency must be made.

Faculty

1. The President shall identify those disciplines or units which are overstaffed and instruct the Dean of the College to initiate efforts to reduce the personnel and other costs in them. These efforts may include:

   a) Faculty reassignment from one area of professional responsibility to another area where there is a vacancy or a probationary faculty member and the reassigned faculty member is qualified according to: a) most recent letter of reappointment, b) current teaching assignment, c) recent work experience (five years), d) appropriate professional development to fill the position. The staff in the area of responsibility shall be involved in judging qualifications for those professionals involved. Priority shall be given to the transferring faculty member.

   b) A recommendation to the President that the faculty member's contract not be renewed. Notice of possible nonrenewal normally will have a one-year grace period before implementation.

2. Prior to submitting a recommendation that a faculty member's contract not be renewed, the Dean of the College shall consider the feasibility of other alternatives such as:

   a) Retraining

      Retraining is most likely to occur in those instances where the faculty member has some previous experience in the area to which he/she could be reassigned. In difficult financial times a total developmental experience could not be justified because it would tend to exacerbate the financial problems of the College.

   b) Reduced-Load Assignment

      A reduced-load assignment would allow the faculty member to continue at the College but at a reduced salary level and a commensurately reduced workload.

      Both the Dean of the College and the faculty member(s) involved must agree to these options before they are initiated.

3. Nonrenewal of faculty contract shall be pursued on a discipline-by-discipline basis. Thus, for the purpose of retrenchment and the determination of seniority, tenure is assumed to be within one's discipline.

4. Disciplines have been established in a manner which reflects the generally recognized breakdowns provided by the Higher Education General Information Service (HEGIS) and is consistent with College operations. The disciplines are

Accounting
Automotive Technology
Business Administration
Data Processing
Electronics
Interior Design
Mass Communications
Nursing
Office Education
Practical Nursing
Real Estate
Counseling
Criminal Justice
Political Science
Public Administration
Psychology
Sociology
Anthropology
Teacher Education
Human Development
Library
Health
Physical Education

Art
Art History
Economics
English
French
Geography
History
Music
Philosophy
Photography
Reading
Speech
Drama
Spanish
Astronomy
Biology
Chemistry
Mathematics
Physical Science
Physics
Earth Science
Engineering

Within each discipline the following order shall be followed in reducing personnel:

a) Part-time faculty in the discipline

b) Nontenured faculty by discipline in reverse order by total years of service

   1. If total years of service are equal, lane placement in ascending order will be the determinant

   2. If total years of service and lane placement are equal, years in lane in ascending order will be the determinant

   3. If all of the above are equal, the individual(s) shall be evaluated in a manner similar to that used for original appointment and the person deemed most qualified shall be retained

   4. Nontenured reduced-load faculty shall have their total years of service computed on the basis of full-time equivalents, counting only those courses which were taught under the prorated contract (not overload courses)

   5. Favorable consideration shall be given to individual faculty with competency in two or more disciplines

c) Tenured faculty by discipline in reverse order by total years of service in that discipline at Harford Community College

   1. Faculty members with equal years of service shall be released in reverse order of attaining tenure status

   2. Faculty members with equal years of service and equal years in tenure shall be released in ascending order of lane placement

   3. If all of the above are equal, years in lane in ascending order will be the determinant

   4. If all of the above are equal, the individual shall be evaluated in a manner similar to that used for original appointment and the person deemed most qualified shall be retained

5. Tenured reduced-load faculty will have their total years of service computed on the basis of full-time equivalents, counting only those courses which were taught under the prorated contract (not overload courses)

6. Favorable consideration shall be given to individual faculty with competency in two or more disciplines

Administrators

1. The termination of an administrator(s) shall be examined on a case-by-case basis inasmuch as only rarely is there more than one person performing the same duties. The President shall identify those administrative areas to be reduced and instruct the administrative head to take appropriate action. This action may include:

   a) Reassignment to another duty, assuming there is an identified need and the individual is judged competent to perform the assignment. Competence shall be determined by the same methods as would be employed to select a new administrator or faculty member for the available assignment

   b) A recommendation that the administrator's contract not be renewed

Recall Procedures

Faculty and Administrators

1. Should the need arise to recall faculty or administrators to their previously held positions, recall shall be accomplished in reverse order of termination (i.e. most recently terminated faculty member(s) or administrator(s) shall be the first to be recalled)

   a) For faculty, recall shall be according to discipline

   b) For administrators, recall shall be according to job title

2. The College is obligated for a period of three (3) years to contact the terminated faculty member(s) or administrator(s) with an offer of reemployment. The three-year period will commence on the last day of the last contract held by the faculty member(s) or administrator(s)

a) Communication shall be in the form of a registered/certified letter to the last known address of the faculty member(s) or administrator(s). It is the obligation of the faculty member(s) or administrator(s) to keep the Personnel Office of the College informed as to his/her mailing address.

3. Faculty members or administrators offered reemployment shall notify the College in writing within thirty (30) calendar days of receipt of the registered/certified letter of their decision to accept the offer. Failure to respond within this time frame shall be interpreted as a rejection of the offer.

4. Offers of reemployment shall be at a lane and step (for faculty) or grade and step (for administrators) commensurate with that on which the person would have been placed in the year in which severance took effect. However, faculty development activities which occurred during the year(s) away from the College will be recognized.

Salary and Fringe Benefits Considerations

1. All salary shall terminate on the closing date of the last contract held by the faculty member(s) or administrator(s). The College shall continue to pay its portion of fringe benefits for a period not to exceed one-hundred twenty (120) days or when other employment commences--whichever occurs first. Employee contributions will be by payment in advance or through monthly billings.

2. The faculty member(s) or administrator(s) who is retrenched may continue to participate in the fringe benefits package of the College at his/her own expense for a period not to exceed three (3) years.

3. Should the faculty member(s) or administrator(s) accept an offer of reemployment within the three-year recall period, unused accumulated sick leave will be reinstated.

Grievance Procedure

1. An individual may appeal a decision not to renew his/her contract by following the grievance procedures outlined in the College Handbook.

2. All notices of nonrenewal of contract or modification of job status shall be timely and in accordance with established College policies or contracts.

Affirmative Action

1. Nothing in this statement shall be interpreted in such a manner as to discriminate on the basis of race, sex, creed, or national origin.

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